



Education Committee
Thursday, May 20, 2004 -- 12:00 p.m.
Institute for Advanced Learning and Research
Danville, Virginia

APPEARANCES

Senator Frank M. Ruff, Chairman
Philip P. Puckett, Vice Chairman
Delegate Joseph P. Johnson
Delegate Thomas C. Wright, Jr.
The Honorable Isaiah G. Hopkins
Mr. Stephen S. Banner
Mr. Buddy Mayhew
Mr. Harrison A. Moody
Mr. John M. Stallard
Mr. John T. Taylor

Commission Staff

Mr. Ned Stephenson; Manager of Strategic Investments
Mr. Timothy J. Pfohl; Grants Program Administration Manager
Britt Nelson; Grants Program Administrator – Southside
Ms. Sara Griffith; Grants Program Administrator – Southwest

Attorney General's Office

Mr. Frank Ferguson; Deputy Attorney General
Anne Marie Cushmac; Senior Assistant Attorney General

May 20, 2004

SENATOR RUFF: I appreciate you all coming even though we didn't have a subcommittee meeting scheduled and we appreciate the full Commission making a commitment of the \$3.8 million dollars. I don't think there's any question about the Southwest part, the \$1 million dollars, I think they intend to take applications and then divide that money by the number of applications. The \$1,500, is that how that's laid out? Phil, do you all have any problem with that?

MR. BANNER: We're having a hard time hearing.

CRANE-SNEAD & ASSOCIATES, INC.
4914 Fitzhugh Avenue, Suite 203
Richmond, Virginia 23230
Tel. No. (804) 355-4335

1 SENATOR PUCKETT: That's fine, no problem. I originally had
2 a conversation with Rachel about the \$1,500. I think that's fine for the Southwest
3 area.

4 SENATOR RUFF: If you'd go ahead and make that motion.

5 SENATOR PUCKETT: I'd make the motion that we extend the
6 \$1,500 cap on that amount.

7 MR. BANNER: Second.

8 SENATOR RUFF: All in favor say aye (ayes). All right. On the
9 Southside, there are greater questions. I'll start and then Ned you can fill in the
10 gaps. Rachel if you want to join in. There's been several discussions back and
11 forth. We know we want to expand the programs we talked about to include
12 allied medical, Veterinary Medicine, large animals, engineering, business
13 technology. If we expand it into those areas we cannot expand it that much and
14 stay at the \$4,000 per person. So I guess that's the question that this Committee
15 needs to meet and talk about now and decide how to deal with that. My belief is
16 that we made commitments to young people over the last several years for \$4,000
17 for education if they were agreeable to come back and teach and they would
18 qualify for the forgivable loan program. I think we probably have the
19 responsibility to keep moving forward with that. If we do that we certainly can't
20 do that for all of them so the question is can we do that and there's a couple of
21 possibilities. If we say \$4,000 then the others we will only loan it to you in the
22 junior and senior years and if we use a lower figure, say \$2,500 or maybe less or
23 we can come up with some formula as to a grade point average or use a formula
24 that says first come first served. Ned, did I lay out the problem.

25 MR. STEPHENSON: Yes, Frank, there are a multitude of issues
26 that enter into the picture if we chose to expand the curriculum. I had asked
27 Rachel to help me because she's close to this and she knows what's happening.
28 She and her staff yesterday supplied us with this pro forma of how things might
29 work with an expanded curriculum. She has some grade point average
30 restrictions and how the restrictions on this money will cover the needs. I haven't
31 had really a chance to read that. I was thinking this Committee probably needs to
32 meet in the next week or two and have a full spread of those restrictions and reach
33 a conclusion as to how this program would run so that the applications are not
34 held up. I'm really not prepared to cover that today.

35 SENATOR RUFF: I don't know that anyone else is or not but
36 since we finished the full Commission meeting so early. I thought we probably
37 should take a few minutes to talk about this and make sure everybody is on the
38 same page. I know it puts Rachel in somewhat of an awkward situation. She can
39 accept applications from what we do today but I'm not sure how much she can
40 tell people who ask the question, how much is this scholarship. I hate to leave
41 anyone in that kind of situation.

42 DELEGATE WRIGHT: Mr. Chairman, we may want to consider
43 making Rachel's job easier for the Committee and want to maintain the agreement
44 made originally with the ones that have already started this process at \$4,000 a

1 year and we can do that. Put a focus on how they come up with a
2 recommendation if this Committee gives them some guidance on how much
3 people will be eligible to get. Maybe we can do that and give some guidance
4 before we decide the other question so they can move forward.

5 MR. TAYLOR: Mr. Chairman, Tommy, do you have a problem
6 with grandfathering in the ones that are already in the program at \$4,000?

7 DELEGATE WRIGHT: No, I think we should.

8 MR. TAYLOR: I think we should take that step today and then
9 study these new issues that we got coming up in the next couple of weeks as far as
10 what we want to do in the future with these additions that we have added to the
11 Education Committee.

12 SENATOR RUFF: Ned.

13 MR. STEPHENSON: I think we might be better served if we
14 could chose a meeting date, maybe in a week or two and bring all of these issues
15 to the table at the same time. It may be and I'm not saying that we should, it may
16 be that those persons that are grand fathered may need to face a GPA restriction to
17 thin out the less worthy applicants so money can be used to cover some of these
18 other areas. I think the whole process has to be done at the same time to satisfy
19 any needs. My thinking is that we need to choose a date soon. So Rachel can
20 continue to receive applications, she will know that on that date she will have a
21 signal exactly what she can tell people. In my view, that would be within a week
22 or ten days from today.

23 SENATOR RUFF: While Ned was saying that, legal counsel has
24 advised me that because we did not give notice to this meeting, we are affecting
25 people's financial lives they may become unhappy with us. I think that probably
26 this Committee would agree with that to meet in short order, we'll get Mary
27 Cabell to work that out and set a date very quickly to meet. I guess the greatest
28 question is how involved do you folks from the Southwest want to be in this
29 process. If you all agree –

30 SENATOR PUCKETT: I think we're okay and not that we
31 wouldn't like to meet with you but we certainly yield to the Southside's position.

32 SENATOR RUFF: I appreciate that because we don't want to
33 keep you all here if –

34 SENATOR PUCKETT: I think we're okay with that and if you
35 don't need us for a quorum or anything like that.

36 MR. STEPHENSON: It could present a quorum problem.

37 SENATOR PUCKETT: Just let us know, we can send Steve
38 Banner, he likes to travel.

39 SENATOR RUFF: If we could find a convenient date that should
40 take care of the quorum problem.

41 MR. PFOHL: Mr. Chairman, at that meeting should we address
42 issues of community colleges and competitive education grants?

43 SENATOR RUFF: We'll have to take care of what's on the
44 agenda.

1 SENATOR PUCKETT: We should be there for the community
2 colleges.

3 MR. STEPHENSON: Mr. Chairman, do you want to pick a date?

4 MR. PFOHL: Would this be in Roanoke?

5 SENATOR RUFF: If it's the full Committee Roanoke would be
6 fine. Does anybody know any dates to avoid? Mary Cabell, you'll have that
7 challenge to work that out. Does anyone else have any comments?

8 DR. FOWLKES: Mr. Chairman, could I just leave you with a few
9 thoughts and something for you all to be thinking about. Ned mentioned this
10 GPA, grade point average. We are recommending that you limit the scholarships
11 to students that have a GPA of 2.5 or better. We don't have a way of checking to
12 see what the student's GPA is currently unless the colleges notify us that the
13 student is not in good academic standing and we meet the clear guidelines from
14 the Commission on how you want a student who fails and doesn't make the grade
15 point average. Because each college has its own standard of academic excellence,
16 it would be nice to have one across the board. So we recommend a 2.5 grade
17 point average. If the student does not maintain their grades they lose the
18 scholarship. They would have an opportunity to reapply once they get their
19 grades up which gives them an incentive we think, to be a more conscientious
20 student.

21 The other issue is when you open this up to move majors that
22 concerns us a little bit. Students at the freshman and sophomore levels change
23 their majors all the time. Any of you that have had college students at home, you
24 know how many times they have changed their majors in the first year or two.
25 They may start off and declare that they're going to be an engineering major and
26 once they get to that first math course or science course, they go into psychology
27 or something that's not as challenging academically. Our concern is that because
28 your scholarship in the Southwest requires a pay back. They have to complete
29 their degree, come back to the region and work in a teaching profession and so
30 forth. What are you going to do if someone is a freshman, sophomore or junior
31 and they change their major to one of these that you have designated? That gives
32 you something to think about when you come back together in a week or two,
33 how are you going to address these issues. When a student states that they're
34 changing their major in an allied health field because there's many allied health
35 fields, we're going to have to try to define those a little better. When you talk
36 about Veterinary Medicine, our recommendation is that that not be for the
37 undergraduate level but it be after they're admitted to Veterinarian School.
38 Veterinary Medicine School is very competitive and we know people in our
39 region that have gone through pre-veterinarian as an undergraduate but can't get
40 into Veterinarian School so, we need some clarification that would help all of us
41 with understanding this.

42 SENATOR RUFF: Thank you.

43 DELEGATE JOHNSON: Mr. Chairman, I would be opposed to
44 making the grade point average 2.5. I just think these people have earned it or

1 somebody has earned it for them and then to take it away from them because they
2 don't make 2.5, that's a C+. Sometimes your best employees are people that only
3 made a C. I don't think it's right to say you've got to make 2.5. I just don't think
4 its right to say you've got to make a 2.5 or a 2.2 or you don't get your money.
5 Maybe the person didn't get enough sleep the night before to pass a test or they
6 milk the cows too early, I don't know what happened.

7 SENATOR RUFF: When you talk about 2.5, are you talking
8 about, what kind of grade point average are you talking about coming out of high
9 school with, have you thought about that?

10 DR. FOWLKES: Probably the same.

11 MR. MAYHEW: Mr. Chairman, is there any mechanism in place
12 that we could check behind in following up with their agreement and whether or
13 not repayment and so forth? Is anyone responsible for doing that?

14 SENATOR RUFF: No, that's going to be the responsibility of the
15 Tobacco Commission. As part of the agreement, when we talked to the
16 Department of Education about their funding them some of the GED programs,
17 they have agreed to allow us to piggy back the contract they have for the
18 collection of their teacher loans that they have with the state.

19 MR. MAYHEW: Does that mean they would do it for us?

20 SENATOR RUFF: As I understand it and Ned can correct me if
21 I'm wrong, they contract that work out and they do it at the same contract price.

22 MR. MAYHEW: It would just be a charge to us to have someone
23 do it.

24 MR. STEPHENSON: The agreement has been reached in
25 principal with the Commission and DOE. Those details remain to be worked out.
26 It was not suggested that there be a charge for this, we need to get that worked
27 out.

28 MR. MAYHEW: At this time no one individual has been notified
29 they are in noncompliance, they owe this money or we haven't reached that point
30 yet?

31 SENATOR RUFF: We probably are reaching that point because
32 we did fund some underclassman a couple of years ago and they should be
33 coming out on the market.

34 MR. MAYHEW: Probably got some that may need to make a
35 change.

36 MR. STEPHENSON: There's an urgency to close that up.

37 CRYSTAL -: We sent out forms to all the Southside applicants
38 that were awarded first year and we're trying to get updated information and we
39 have to verify that. Those students had to provide employment information with
40 the school system. We're trying to get all that information into the database so
41 that we can make it easier to find out from the database whose doing what. We're
42 trying to find out also whose not teaching in the public school system in the
43 Southwest but we're trying to get that information.

44 MR. MAYHEW: Do you ask them if they have the same major as

1 they started with? Have they certified they still have the same major that they
2 began with?

3 CRYSTAL -: Yes, they do.

4 MR. MAYHEW: Is there anyway to verify that or you just take
5 their word for it?

6 CRYSTAL -: We actually requested a copy of a letter from the
7 college certifying that they're still enrolled and what their major is.

8 MR. BANNER: Did you get a good response to that inquiry?

9 CRYSTAL -: We only did this for Southside. We probably have
10 about 85% of the forms back and that was around three weeks ago and we haven't
11 gotten them all returned yet.

12 -: In some colleges you're in the first year or two you're in the
13 College of Arts and Sciences even though, you can say what your major is but
14 technically you're in the College of Arts and Sciences. That would be a problem
15 if you take that action.

16 SENATOR RUFF: That's where Rachel can probably help us get
17 this information, my belief is that the first year or two is the toughest but when
18 you get into the system it seems more organized and may be clearer.

19 DELEGATE JOHNSON: Mr. Chairman, maybe I didn't
20 understand this but what about the community colleges.

21 SENATOR RUFF: We will take any action on the community
22 colleges at this meeting in the next week or so.

23 DELEGATE JOHNSON: When we get back home and the
24 community colleges start calling you and you decided on one and not us, is there
25 any particular reason.

26 SENATOR PUCKETT: I think the reason is we haven't had that
27 meeting yet, this is an unannounced meeting and you can't take that action. My
28 answer to the community college is and I know I'm going to get that call
29 tomorrow morning and may get it tonight, my answer is that we're planning to
30 have a meeting in the next ten days to two weeks and we'll resolve that issue then.

31 DELEGATE JOHNSON: Do we have that amount of money now
32 that we're going to have?

33 SENATOR RUFF: Joe, we didn't know for sure that we'll get
34 how much money until about a half an hour ago. I think we need to do it in a
35 little more organized fashion.

36 DELEGATE JOHNSON: I understand.

37 SENATOR RUFF: I think it's safe to say that we'll get the money,
38 I think it's safe to say the foundation is going to put money into the scholarships
39 for two year programs but I don't know that we can say how much today.

40 DELEGATE JOHNSON: Thank you sir.

41 SENATOR RUFF: Does anyone have anything else? All right,
42 thank you.

43
44 PROCEEDINGS CONCLUDED

CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at large, do hereby certify that I was the court reporter who took down and transcribed the proceedings of the Education Committee when held on Thursday, May 20, 2004 at 12:00 p.m. at the Institute for Advanced Learning and Research, Danville, Virginia.

I further certify this is a true and accurate transcript to the best of my ability to hear and understand the proceedings.

Given under my hand this 25th day of May 2004.

Medford W. Howard
Registered Professional Reporter
Notary Public for the State of Virginia at Large
MY COMMISSION EXPIRES: October 31, 2006